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State of Idaho

Legislative Services Office

Management Report

A communication to the Joint Finance-Appropriations Committee

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## **STATE BOARD OF NURSING**

**FY 2005, 2006 and 2007**

**Report IC42607**  
**Date Issued: April 7, 2008**

*Serving Idaho's Citizen Legislature*

# FOREWORD

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## **PURPOSE OF REPORT**

We evaluated the internal controls over financial operations of the State Board of Nursing as part of our effort to evaluate each State agency at least once every three years. This report summarizes the results of our evaluation.

## **SCOPE OF WORK**

The management of the Board is responsible for establishing and maintaining internal controls. We obtained an understanding of the relevant policies and procedures comprising the internal control system. We also determined whether the relevant policies and procedures had actually been placed into operation. Our intent was to indicate where internal controls could be improved in order to help ensure the Board's ability to record, process, summarize, and report financial data accurately.

## **AUDIT AUTHORIZATION**

Reported to the Joint Finance-Appropriations Committee as directed by the Legislative Council of the Idaho Legislature, authorized by Idaho Code, Section 67-429.

## **ASSIGNED STAFF**

Shannon Thomas, Staff Auditor

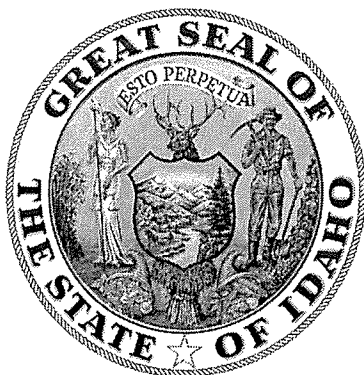
## **ADMINISTRATION AND TECHNICAL REVIEW**

Don H. Berg, CGFM, Manager, Legislative Audits Division  
Chris Farnsworth, CPA, Managing Auditor

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## EXECUTIVE SUMMARY LEGISLATIVE AUDITS

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### STATE BOARD OF NURSING

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**PURPOSE AND SCOPE** – We performed certain audit procedures to evaluate the effectiveness of the State Board of Nursing's internal control design and operation. The limited scope of our procedures does not allow us to give an opinion on the Board's internal control system. Accordingly, we do not express an opinion or ensure that all instances of internal control weaknesses were disclosed. Our purpose was to indicate where internal controls could be strengthened to help ensure accurate financial statements and data. Any findings and recommendations are intended to improve the internal control system to prevent errors, omissions, misrepresentations, or fraud.

**CONCLUSION** – We noted no matters involving the internal control over the Board's financial reporting or its operation that we considered to be material weaknesses. However, our consideration of internal controls would not necessarily disclose all matters considered to be a material weakness.

**FINDINGS AND RECOMMENDATIONS** – There are no findings and recommendations in this report or in the prior report.

**AGENCY RESPONSE** – The Board has reviewed the report and is in general agreement with its contents.

**FINANCIAL SUMMARY.** The Board is funded by dedicated funds derived principally from licensing and examination fees. The following financial summary is presented for informational purposes only.

#### STATE BOARD OF NURSING – FINANCIAL SUMMARY

<u>Fiscal Year 2007</u>	<u>Fund 0229</u>
Beginning Cash Balance	\$451,865
Licenses and Exam Fees	1,022,795
Other Receipts	<u>84,561</u>
Total Cash Available	\$1,559,221
Personnel Costs	459,045
Operating Expenditures	342,282
Capital Outlay	<u>10,229</u>
Total Disbursements	<u>\$811,556</u>
Ending Cash Balance	<u><u>\$747,665</u></u>

**OTHER ISSUES** – We discussed other matters with the Board which, if addressed, would improve internal control, compliance, and efficiency.

This report is intended solely for the information and use of the State Board of Nursing and the Idaho Legislature and is not intended to be used by anyone other than these specified parties.

We appreciate the cooperation and assistance provided to us by the executive director, Sandra Evans, and her staff.

**QUESTIONS CONCERNING THIS DOCUMENT SHOULD BE DIRECTED TO:**

Don H. Berg, CGFM, Manager, Legislative Audits Division

Chris Farnsworth, CPA, Managing Auditor

Report IC42607

# AGENCY RESPONSE

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## BOARD OF NURSING – State of Idaho



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March 10, 2008

Chris Farnsworth, CPA, Managing Auditor  
Legislative Services Office  
PO Box 83720  
Boise, ID 83720-0054

Dear Mr. Farnsworth:

I have reviewed the report prepared by your office indicating findings of the external audit of internal controls over financial operations of the State Board of Nursing for fiscal years 2005-2007.

The staff of the Board of Nursing appreciates the efficiency and professionalism with which auditor Shannon Thomas conducted the audit of this agency. During the course of the audit, Mr. Thomas was diligent in gaining an understanding of financial operations of the Board of Nursing in order to accurately determine agency adherence to accepted internal control procedures. It was a pleasure working with Mr. Thomas through the conduct of the audit.

The willingness of your office to delay the audit until after September 1 allowed agency staff at the Board of Nursing to more readily assist Mr. Thomas in his requests for materials, records and information necessary for conduct of the audit. Thank you for graciously accommodating unique staffing and workload issues of this agency at my request.

On behalf of the staff and members of the Board, thank you for the efforts of your agency and for the report of findings as well as accompanying recommendations for continued improvement of the internal control systems of the Board of Nursing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sandra Evans".

SANDRA EVANS, MAEd, RN  
Executive Director

SE:lhc

## ORGANIZATIONAL CHART BOARD OF NURSING

